

FY 2025

CONGRESSIONAL BUDGET JUSTIFICATION

OFFICE OF LABOR-MANAGEMENT STANDARDS

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OFFICE OF LABOR-MANAGEMENT STANDARDS

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OFFICE OF LABOR-MANAGEMENT STANDARDS

APPROPRIATION LANGUAGE

SALARIES AND EXPENSES

For necessary expenses for the Office of Labor-Management Standards, \$50,845,000, to remain available until September 30, 2026.

Note.--A full-year 2024 appropriation for this account was not enacted at the time the Budget was prepared; therefore, the Budget assumes this account is operating under the Continuing Appropriations Act, 2024 and Other Extensions Act (Division A of Public Law 118-15, as amended). The amounts included for 2024 reflect the annualized level provided by the continuing resolution.

OFFICE OF LABOR-MANAGEMENT STANDARDS

ANALYSIS OF APPROPRIATION LANGUAGE

The Department requests two-year availability to increase flexibility for program execution. The annual uncertainty in the appropriations timing results in delayed hiring and rushed execution of contracts. The multi-year availability would reduce the impact of short-term continuing resolutions at no cost to the annual appropriations bill. This change would also enhance staff oversight of the programs they are administering.

OFFICE OF LABOR-MANAGEMENT STANDARDS

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2023 Enacted		FY 2024 Estimate		FY 2025 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	208	\$48,515	208	\$48,515	208	\$50,845
<i>Subtotal Appropriation</i>	<i>208</i>	<i>\$48,515</i>	<i>208</i>	<i>\$48,515</i>	<i>208</i>	<i>\$50,845</i>
B. Gross Budget Authority	208	\$48,515	208	\$48,515	208	\$50,845
C. Budget Authority Before Committee	208	\$48,515	208	\$48,515	208	\$50,845
D. Total Budgetary Resources	208	\$48,515	208	\$48,515	208	\$50,845
Lapse FTE and Unobligated Balance Expiring	-22	-\$106	0	\$0	0	\$0
E. Total, Estimated Obligations	186	\$48,409	208	\$48,515	208	\$50,845

OFFICE OF LABOR-MANAGEMENT STANDARDS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2024 Estimate	FY 2025 Request	Net Change
Budget Authority			
General Funds	\$48,515	\$50,845	+\$2,330
Total	\$48,515	\$50,845	+\$2,330
 Full Time Equivalents			
General Funds	208	208	0
Total	208	208	0

Explanation of Change	FY 2025 Change							
	FY 2024 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	208	\$25,281	0	\$0	0	\$1,288	0	\$1,288
Personnel benefits	0	\$10,541	0	\$0	0	\$815	0	\$815
Employee health benefits	0	\$0	0	\$0	0	\$0	0	\$0
Moving allowance	0	\$0	0	\$0	0	\$0	0	\$0
Federal Employees' Compensation Act (FECA)	0	\$73	0	\$0	0	\$43	0	\$43
Benefits for former personnel	0	\$0	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$1,242	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$0	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$2,792	0	\$0	0	\$0	0	\$0
Rental payments to others	0	\$36	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$59	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$37	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$0	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$527	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$5,874	0	\$0	0	\$184	0	\$184
Other Federal sources (Census Bureau)	0	\$0	0	\$0	0	\$0	0	\$0
Other Federal sources (DHS Charges)	0	\$1,502	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$323	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$2	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$18	0	\$0	0	\$0	0	\$0

OFFICE OF LABOR-MANAGEMENT STANDARDS

FY 2025 Change

Explanation of Change	FY 2024 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Supplies and materials	0	\$110	0	\$0	0	\$0	0	\$0
Equipment	0	\$98	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$0	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$0	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	208	+\$48,515	0	\$0	0	+\$2,330	0	+\$2,330
B. Programs:								
Total Increase	208	+\$48,515	0	\$0	0	+\$2,330	0	+\$2,330
Decreases:								
A. Built-Ins:								
To Provide For:								
Built-Ins Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
B. Programs:								
Total Decrease	0	\$0	0	\$0	0	\$0	0	\$0
Total Change	208	+\$48,515	0	\$0	0	+\$2,330	0	+\$2,330

OFFICE OF LABOR-MANAGEMENT STANDARDS

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY (Dollars in Thousands)								
	FY 2023 Enacted		FY 2024 Estimate		FY 2025 Request		Diff. FY25 Request/ FY24 Estimate	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Office of Labor-Management Standards	186	48,515	208	48,515	208	50,845	0	2,330
General Funds	186	48,515	208	48,515	208	50,845	0	2,330
Total	186	48,515	208	48,515	208	50,845	0	2,330
General Funds	186	48,515	208	48,515	208	50,845	0	2,330

NOTE: FY 2023 reflects actual FTE.

OFFICE OF LABOR-MANAGEMENT STANDARDS

BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
	Full-Time Equivalent				
	Full-time Permanent	208	208	208	0
	Total	208	208	208	0
	Average ES Salary	\$202,525	\$213,057	\$213,319	\$262
	Average GM/GS Grade	12/7	12/8	12/8	0
	Average GM/GS Salary	\$112,050	\$117,877	\$120,235	\$2,358
11.1	Full-time permanent	24,424	24,424	25,712	1,288
11.3	Other than full-time permanent	201	201	201	0
11.5	Other personnel compensation	656	656	656	0
11.9	Total personnel compensation	25,281	25,281	26,569	1,288
12.1	Civilian personnel benefits	10,614	10,614	11,472	858
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	1,242	1,242	1,242	0
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	2,792	2,792	2,792	0
23.2	Rental payments to others	36	36	36	0
23.3	Communications, utilities, and miscellaneous charges	59	59	59	0
24.0	Printing and reproduction	37	37	37	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	527	527	527	0
25.3	Other goods and services from Federal sources 1/	7,699	7,699	7,883	184
25.4	Operation and maintenance of facilities	2	2	2	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	18	18	18	0
26.0	Supplies and materials	110	110	110	0
31.0	Equipment	98	98	98	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	48,515	48,515	50,845	2,330
	1/Other goods and services from Federal sources				
	Working Capital Fund	5,874	5,874	6,058	184
	DHS Services	1,502	1,502	1,502	0
	Services by DOL Agencies	1	1	1	0
	GSA Services	292	292	292	0
	Services by Other Government Departments	16	16	16	0

OFFICE OF LABOR-MANAGEMENT STANDARDS

AUTHORIZING STATUTES

Public Law / Act	Legislation	Statute No. / US Code	Expiration Date
PUB. L. 86-257	Labor-Management Reporting and Disclosure Act of 1959, as amended.	29 U.S.C. 401	N/A
PUB. L. 95-454	Civil Service Reform Act of 1978 Urban Mass	5 U.S.C. 7101	N/A
PUB. L. 88-365 PUB. L. 102-240	Transportation Act of 1964, as amended. Rail Passenger Service Act of 1970 as amended.	49 U.S.C. 533 (b) 45 U.S.C. 501 et seq.	N/A
PUB. L. 91-518	Postal Reorganization Act of 1970.	39 U.S.C. 101	N/A
PUB. L. 91-375	Foreign Service Act of 1980.	22 U.S.C. 3901	N/A
PUB. L. 96-465	Congressional Accountability Act of 1995.	2 U.S.C. 1301	N/A

OFFICE OF LABOR-MANAGEMENT STANDARDS

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2015					
Base Appropriation	\$41,236			\$39,129	215
2016					
Base Appropriation	\$46,981	\$36,000	\$42,000	\$40,593	209
2017					
Base Appropriation	\$45,691			\$38,187	196
2018					
Base Appropriation	\$46,634	\$41,129		\$40,187	189
2019					
Base Appropriation...1/	\$46,634		\$40,187	\$41,187	186
2020					
Base Appropriation...2/ 3/	\$49,134	\$40,187		\$43,187	193
2021					
Base Appropriation...3/	\$50,410			\$44,437	190
2022					
Base Appropriation...4/	\$51,554	\$44,437		\$45,937	190
2023					
Base Appropriation	\$48,515			\$48,515	208
2024					
Base Appropriation...5/	\$53,469		\$48,515		208
2025					
Base Appropriation	\$50,845				208

1/ This bill was passed by the Senate. It was passed out of the House Subcommittee but was not reported out of the House Committee or by the full House.

2/ FY 2020 - This bill was passed by the House. It was not taken up by the Senate Appropriations Subcommittee or full Appropriations Committee.

3/ FY 2020 and FY 2021 – FTE for FY 2020 and FY 2021 reflect the Shared Services Realignment

4/ This bill was passed by the House. It was not taken up by the Senate Appropriations Subcommittee or the full Senate Appropriations Committee.

5/ The full-year FY 2024 appropriation was not enacted at the time the budget was prepared.

OFFICE OF LABOR-MANAGEMENT STANDARDS

OVERVIEW

The Office of Labor-Management Standards (OLMS) administers the Labor-Management Reporting and Disclosure Act (LMRDA) and related laws. The LMRDA was enacted to protect union members by ensuring that labor unions operate with the transparency, democracy, and financial integrity workers need to make informed decisions about their membership in a union as well as its operations. These laws were enacted to strengthen labor unions by protecting those unions and their members from individuals, organizations, and influences that do not operate in their best interests and to ensure that members and employees who are engaged in organizing activities can learn of their employer's activities regarding their rights to organize and bargain collectively. While the vast majority of America's labor unions and their leaders operate for the benefit of the hard-working people who compose their membership, OLMS is tasked with protecting the union members by administering the LMRDA. OLMS' enforcement activities are in service of the LMRDA's stated national policy that it is "the responsibility of the Federal Government to protect employees' rights to organize, choose their own representatives, bargain collectively, and otherwise engage in concerted activities for their mutual aid or protection."

The LMRDA promotes financial integrity by imposing protections on labor union assets; provides transparency by requiring public disclosure by unions, union officials, employers, labor relations consultants, and surety companies; and ensures democracy by establishing standards for conducting union officer elections. As an enforcement agency, OLMS supports DOL Strategic Goal 2 – *Ensure Safe Jobs, Essential Protection, and Fair Workplaces* under Strategic Objective 2.2 – *Protect Workers' Rights*.

OLMS also administers employee protections under various federally sponsored transportation programs that require protective arrangements for transit employees. When federal funds are used to acquire, improve, or operate a mass transit system (public transportation), federal law requires arrangements to protect the interests of mass transit employees under 49 U.S.C. § 5333(b) of the Federal Transit Act (formerly, and often still referred to as, Section 13(c) of the Urban Mass Transportation Act). Section 5333(b) specifies that these protective arrangements must provide for the preservation of rights and benefits of employees under existing collective bargaining agreements, the continuation of collective bargaining rights, the protection of individual employees against a worsening of their positions in relation to their employment, assurances of employment to employees of acquired transit systems, priority of reemployment, and paid training or retraining programs.

The Department of Labor (DOL) must certify that protective arrangements are in place that meet the above requirements for all grants of assistance under Federal transit law before the Department of Transportation's Federal Transit Administration (FTA) can release funds. The FTA includes the terms and conditions of OLMS' certification and the protective arrangements in its contract of assistance with the grant recipient.

OLMS focuses on improving program effectiveness and efficiency in support of the agency's three priority performance goals:

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1) Increase the resolution of civil violations uncovered through the Compliance Audit Program (CAP) by obtaining voluntary compliance:

The OLMS Compliance Audit Program (CAP) is designed to detect embezzlements and other criminal and civil violations in labor organizations. OLMS conducts compliance audits of unions covered by the LMRDA and of Federal sector unions under the standards of conduct provisions of the Civil Service Reform Act (CSRA). Compliance audits are designed to verify LMRDA or CSRA compliance, investigate potential violations of the law, and provide compliance assistance to help unions meet statutory requirements. The audits follow a streamlined approach, using specialized records review and investigative techniques. When OLMS discovers a violation during an audit, it attempts through on-the-spot compliance assistance to enable the labor union to remedy the problem before the compliance audit concludes. For example, if a compliance audit reveals that a union carries insufficient bonding to protect its financial operations from fraud or embezzlement, OLMS will direct the union to bring its bonding level up to statutory standards. Once a compliance audit is completed, OLMS sends a closing letter to the union describing any reporting deficiencies, recordkeeping violations, and internal control problems identified during the audit. If the violation remains after the audit, OLMS will open a “fall-out” case. This case will focus on investigating and abating the remaining violation.

As a new priority performance goal, OLMS plans to increase the percentage of violations resolved through voluntary compliance during compliance audits. We expect this will increase interactions with the unions, improve customer relations, reduce the administrative time of unnecessarily opening and tracking violations under other programs, and allow us to redirect that administrative time to program operations including financial integrity.

2) Decrease the number of chronically delinquent filers:

Under the LMRDA, labor unions, like employers and labor relations consultants, must file reports by deadlines set by statute. Labor unions that fail to file their annual financial disclosure reports (on Form LM-2, LM-3, or LM-4) within 90 days after the close of its fiscal year, as required by law, are deemed delinquent filers. As a new priority performance goal, OLMS will focus on chronic delinquencies. Those unions that have filed their annual financial report 15 or more days after the due date for three consecutive years are considered chronically delinquent. As a priority performance goal, OLMS will decrease the number of chronically delinquent filers. OLMS will do so by, among other ways, targeting outreach to unions that have been delinquent in their two past consecutive years and are thus on the brink of being classified as chronically delinquent. By decreasing the number of chronically delinquent unions, OLMS will be able to make their reports available online faster for union members and the public.

3) Reduce the number of elapsed days for investigating union election complaints:

The LMRDA requires labor unions holding elections of their officers to use a secret ballot; provide their members a reasonable opportunity to nominate candidates and vote; mail notice of elections to members; and establish other safeguards to ensure a fair election. The LMRDA also gives union members who believe these election standards have been violated the

OFFICE OF LABOR-MANAGEMENT STANDARDS

right and a path to file a complaint with the Secretary of Labor. OLMS is responsible for investigating these complaints and, dependent upon the results of the investigation, taking appropriate steps to set aside the election, if warranted. As appropriate, OLMS will attempt to negotiate a voluntary compliance agreement or, failing that, bring a lawsuit in U.S. district court seeking a new election under OLMS supervision. By statute, election case lawsuits brought under the LMRDA must be filed within 60 days of the Department's receipt of a complaint, unless the labor union agrees to a waiver of the filing deadline. To meet this statutory deadline, OLMS continually identifies improved efficiencies in the case processing system to better predict and reduce the need for waivers and thereby reduce the number of days between receipt and resolution of a complaint. For example, through improved communication and coordination between OLMS and the Office of the Solicitor, we are better poised to address and resolve challenging investigations, directly reducing the time needed to resolve them.

This FY 2025 budget request includes funding to staff the initiatives discussed above. Further, OLMS has undertaken an initiative to enforce and review for accuracy the employer and consultant reports required under the LMRDA (Forms LM-10 and LM-20). The FY 2025 budget request would provide the consistent staffing resources needed to accomplish this. The funding level requested would continue our success in increasing compliance with the reporting requirements of both employers and consultants throughout the country, disclosing transactions involving persuader and surveillance activities to the American public. These resources would accomplish this task while maintaining our current enforcement presence and efforts to reduce labor organizations' vulnerability to fraud, embezzlement, lack of transparency and unfair or undemocratic elections. Resources would be used to support labor investigator positions, with full promotion potential to GS-12. The resources would continue to promote transparency for all entities covered by the Act, enabling OLMS to ensure union dues and assets are used for the benefit of the members; employers and labor relations consultants meet their statutory reporting duties; financial operations and activities are disclosed; and labor union officers are elected under fair and democratic procedures.

Program Improvements

OLMS will continue to pursue program improvements that deliver more effective and efficient protection of union financial assets, and the integrity of the labor-management regime as follows:

- Conduct 350 compliance audits of unions to uncover possible violations of the LMRDA and complete 300 criminal investigations during the fiscal year. Leverage compliance assistance resources to achieve 12,000 participant compliance assistance hours. This would 1) ensure new participants to the e-filing system submit their forms in a correct and timely manner, 2) help unions with election procedures, and 3) help unions with bonding requirements. Additionally, OLMS intends to increase the number of special report investigations, in which OLMS investigates whether employers and labor relations consultant were required to file a report and either failed to do so or filed a deficient report.
- Increase the utility of the Voluntary Compliance Partnership (VCP) program, through which OLMS partners with international and national unions to improve compliance with the LMRDA among their local affiliates. This voluntary program uses data to help the

OFFICE OF LABOR-MANAGEMENT STANDARDS

VCP partner organizations direct their compliance efforts to their subordinate unions that are most out of compliance with the LMRDA. By securing the voluntary assistance of international and national union leadership, this program reduces the work demands on OLMS employees so that limited resources can be targeted to other priorities.

- OLMS will advance transparency by focusing on reducing the delinquency rate of Form LM-10 employer and Form LM-20 consultant reports filed. We will commit resources to identify delinquent filers. Additionally, OLMS will continue developing a method to identify and correct deficiencies in those reports.
- In an effort to empower workers and their unions, and strengthen bargaining, the data OLMS collects will be accurately maintained and presented in full context, posted to the OLMS website. The information posted will include enforcement results and final decisions regarding union officer election investigations.
- OLMS will advance worker knowledge regarding the benefits unions bring to the workplace and to the community as part of a government-wide effort to enhance employee self-organization and collective bargaining.
- OLMS recognizes the benefits unions bring to workers and of cooperative labor-management relationships, achieved through collective bargaining. Through its website, and its Labor-Management Partnership Program, OLMS will serve as a resource center for information to promote and realize these benefits.

Information Technology Modernization and Cybersecurity

OLMS will continue the modernization of the Electronic Labor Organization Reporting System, (e.LORS). This system, with its sub-modules, is the primary system used by a nationwide staff of investigators, managers, policy analysts, auditors and administrative employees to implement and enforce compliance with the LMRDA. It is the Federal government's authoritative repository of labor union financial and other LMRDA-required filings and comprises three primary functions: electronic filing and storage of union and labor-management data; electronic public disclosure of those filings via the OLMS website; and investigation and audit case management. OLMS is currently using existing Appian business functionality developed for DOL and expanding functionality to other areas. The modernized system, being developed under the name OLIVIA, will retain the existing business-relevant functionality in cloud-ready format and will add the supportability, security, and functionality that is gained from using modern technology and agile development methodologies. This new system will have improved capabilities such as the introduction of modern data analytics and provide employees and the public with modern technologies for a better internal and external IT customer experience. The modern OLIVIA will then leverage current and planned enhancements to the larger DOL IT infrastructure, implement cutting edge cybersecurity, and improve system capabilities such as the introduction of modern data analytics. The projected system modernization will provide employees and the public with modern technologies and improve the internal and external IT customer experience.

Worker Empowerment

OLMS promotes labor-management transparency as well as labor union democracy and financial integrity through standards for union officer elections and union trusteeships and safeguards for

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union assets. The agency's enforcement activities are designed to give assurances to workers (and to the public more broadly) that the conduct of union officers and employees is regulated. The vast majority of union officials and employees do their work diligently and without incident, but civil and criminal violations do sometimes occur and, when they do, the union and its members are typically the victims. OLMS is committed to serving the workers whose interests we represent with this common understanding of the important role unions have played and continue to play in the American economy.

OLMS will promote union strength, transparency, integrity, and democracy through vigorous civil and criminal enforcement to ensure that unions remain strong and effective advocates for workers. True transparency also requires employer and consultants to report the efforts they make to persuade employees with regard to their rights to organize and collectively bargain. OLMS will continue its current initiative to enforce accurate and timely reporting by employers and consultants. Workers and the public benefit from knowing the effect of such employer "persuader" and "surveillance" activity on union organizing and on the American worker. OLMS will build on studies of the effect of employer activity on union organizing to better understand and explain the importance of the employer and consultant reporting obligations in the LMRDA that OLMS enforces.

OLMS' efforts to empower workers and their unions require that OLMS operations and the data it collects be accurately maintained and presented in its full context. OLMS is committed to achieving this result by improving its website, conducting outreach to stakeholders, engaging with the public, and coordinating with other federal agencies.

Labor Management Partnerships and Worker Empowerment

OLMS recognizes the benefits to workers and employers from cooperative labor-management partnerships achieved through collective bargaining and will continue to promote and advance these partnerships. In addition, OLMS recognizes that increasing worker organizing and empowerment is critical to growing the middle class, building an economy that puts workers first, and strengthening our democracy.

With regard to labor-management partnerships, OLMS will maintain and strengthen its Labor-Management Partnership Program, which helps workers and employers to understand the myriad benefits that can arise from labor-management cooperation through collective bargaining. The program will also help foster and grow labor-management partnerships by shining a spotlight on successful labor-management partnerships. Employers with unionized workforces will be able to explore this more cooperative approach to problem solving. It will help reduce the resistance among some employers to union organizing efforts by their employees through an understanding that these relationships can be a positive force for change that benefits both employees and the employers' business interests.

OLMS will help advance the work of the White House Task Force on Worker Organizing and Empowerment, including key task force recommendations to broaden labor-management collaboration and enhance awareness by workers and employers alike of the positive role unions can play in the workplace.

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Equity in Budgeting

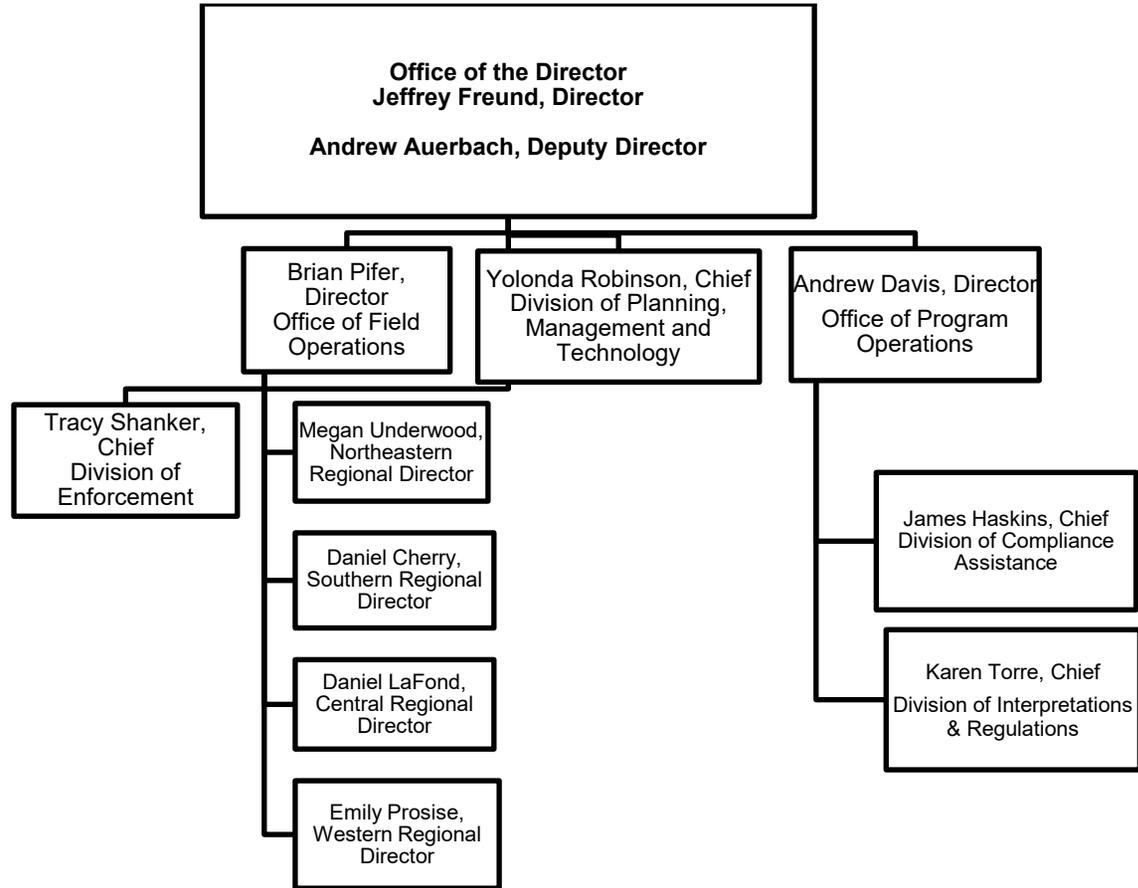
Labor organizations perform an essential function in the labor movement by providing a “voice” for workers in their workplace. They do this by negotiating and enforcing agreements with employers to promote employee safety, fair and equitable policies, and fair pay. OLMS protects labor organizations and their membership by promoting financial integrity through the agency’s compliance audit and criminal enforcement programs. Furthermore, OLMS promotes transparency by requiring union, employer, and labor relations consultant reports, reviewing them for accuracy, and making them available to the public. Finally, OLMS conducts investigations of complaints filed by union members concerning regularly scheduled union officer elections to protect the democratic process in the election of labor movement leaders by their membership. OLMS is successful in its mission when strong, transparent unions have the full confidence of workers, employers, and policy makers.

OLMS is taking a multi-faceted approach to advancing equity for all, including people of color, women and others who have been historically underserved and adversely affected by inequality, by increasing compliance assistance, increasing outreach and education, and expanding hiring initiatives, professional development, and employee engagement.

- **Increase Compliance Assistance:** OLMS will continue to improve and expand its compliance assistance materials. This will include updating compliance assistance guidance and making the public website more user friendly. OLMS will continue to monitor contacts with non-English speaking workers and translate compliance assistance materials into Spanish and, depending on the need, other languages. OLMS will update compliance assistance to incorporate inclusive language.
- **Outreach and Engagement:** OLMS will continue to build and strengthen the VCP program by providing international and national union partners with new compliance assistance tools and information on a more consistent basis. Expanding international and national union outreach will assist local labor organizations with voluntary LMRDA compliance. OLMS’ outreach strategy will also increase and establish meaningful relationships with labor organizations most at risk of experiencing civil and criminal violations. OLMS will use data analytics to assess the program’s effectiveness and to drive further improvements.
- **Hiring Initiatives:** OLMS will promote a more diverse, equitable, and inclusive workforce through hiring initiatives. OLMS will require managers to be educated and informed regarding hiring practices and recruitment strategies. OLMS will expand recruitment resources and outreach to foster an applicant pool that includes individuals from diverse perspectives and backgrounds. OLMS will design an interview process that minimizes the risk of unconscious bias and increases diversity in the workforce. To select the best candidate for the position, the recruitment process will be handled by a group of diverse decision-makers. OLMS will also promote a hiring and promotion process that is equitable and inclusive by updating position descriptions and job announcements to welcome the most diverse applicant pool.

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ORGANIZATION CHART



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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
Activity Appropriation	48,515	48,515	50,845	2,330
FTE	186	208	208	0

NOTE: FY 2023 reflects actual FTE. Authorized FTE for FY 2023 was 208.

Introduction

The Office of Labor-Management Standards is responsible for administering the Labor-Management Reporting and Disclosure Act (LMRDA). The investigation of embezzlement of labor union funds is a major OLMS enforcement activity. OLMS also conducts audits of unions under the Compliance Audit Program to determine overall compliance with the LMRDA, detect possible criminal activity, and provide compliance assistance to union officials. Embezzlement investigations are opened when OLMS obtains credible information, either through an audit or other means, indicating fraud or misappropriation of union funds. OLMS requires employers to file a report if they make certain expenditures or engage in certain activities, including entering into agreements or arrangements with a labor relations consultant, to persuade employees concerning their collective bargaining or organizing rights or to engage in surveillance to obtain information. The LMRDA also requires any person, including a labor relations consultant, to file a report to disclose agreements or arrangements the consultant makes with an employer to undertake activities to persuade employees concerning their collective bargaining or organizing rights or to engage in surveillance to obtain information.

OLMS provides workers with ready access to essential information about their labor union's financial conditions, operations, activities, and their officers and employees. Labor unions covered by the LMRDA and related laws must file annual financial reports with OLMS. Other reports must be filed by union officers, union employees, employers, labor relations consultants, and surety companies. OLMS operates an electronic filing system for LMRDA reports and an internet-based public disclosure system that provides public access to information from filed reports. Timely and accurate reporting allows workers to monitor the financial operations of their union, supports democracy in union governance, and ensures that union assets are used solely for the benefit of the members and ensures that members and employees who are engaged in organizing activities know the sources of their employers' messages urging them not to organize.

As the LMRDA was enacted by Congress to ensure basic standards of democracy in labor unions, the investigation of labor union officer elections is another major OLMS enforcement activity. OLMS conducts investigations of regularly scheduled union officer elections upon receipt of a timely filed complaint from a union member protesting the election. If an investigation discloses violations of the LMRDA which may have affected the outcome of the election, OLMS gives the union an opportunity to correct the violations through voluntary compliance, usually by rerunning the challenged election under OLMS supervision. If

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warranted, OLMS may take legal action to set aside the challenged election and require a new election under OLMS supervision.

Additionally, OLMS has the responsibility under the Federal Transit Act to certify that labor protections are in place prior to the approval of Federal transit grants. A transit agency receiving Federal mass transit funds must protect all covered mass transit employees affected by the use of Federal money. The law specifies that “fair and equitable” arrangements must be in place that provide for the preservation of rights and benefits of employees under existing collective bargaining agreements, continuation of collective bargaining rights, protection of individual employees against a worsening of their positions in relation to their employment, assurances of employment to employees of acquired transit systems, priority of reemployment, and paid training or retraining programs.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2020	\$43,187	193
2021	\$44,437	190
2022	\$45,937	190
2023	\$48,515	208
2024	\$0	208

NOTE: A full-year 2024 appropriation for this account was not enacted at the time the budget was prepared.

FY 2025

The FY 2025 funding level would maintain OLMS staff needed to advance the OLMS mission, including administering the labor organization reporting and disclosure program, conduct audits of labor organizations, and open criminal cases when there are reasonable grounds to believe violations have occurred. OLMS will continue to investigate complaints concerning labor organization officer elections and supervise new elections if a violation occurred that may have affected the outcome of the initial election.

The funding would provide OLMS with the staffing and training resources needed to evaluate and better enforce reporting by employers and labor relations consultants, as required by law. OLMS will develop enforcement protocols and training of the investigative staff in targeting and obtaining these delinquent and deficient employer and consultant reports, promoting fiscal transparency throughout the labor movement. Additionally, OLMS will pursue incidents of employers conducting surveillance during labor organizing drives and other disputes, ensuring proper reporting in those scenarios as well. OLMS will implement a report review program sufficient for OLMS employees to review the underlying documents sufficient to support the accuracy of the reports filed with the Department.

OLMS will continue to strengthen its Labor-Management Partnership Program (LMPP), support impoverished workers in industries that employ marginalized workers, by promoting transparency and fairness regarding the rights to organize.

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OLMS will leverage compliance assistance resources to achieve 12,000 participant compliance assistance hours.

FY 2024

Figures for FY 2024 are an estimate. Discretionary amounts shown for FY 2024 reflect an annualized Continuing Resolution (Division A of P.L. 118-15, as amended), as a full-year appropriation, had not been enacted at the time the budget was produced. Mandatory amounts are equal to the FY 2024 President's Budget and do not reflect sequestration.

FY 2023

The FY 2023 funding level provided an additional \$2,173,000 to restore OLMS' staffing level to fulfill its mission. Additionally, the FY 2023 funding level provided \$1,000,000 to support review of additional Infrastructure Investment and Jobs Act-related Federal Transit Administration grant applications.

- OLMS strengthened the effectiveness and reach of our Compliance Assistance Program, while providing more robust support and training for our field investigators. The additional resources enabled us to: 1) restore and increase our participant contact hours and general assistance to International Unions (IUs) currently participating in the Voluntary Compliance Partnership (VCP) program; 2) conduct outreach to encourage IUs that are not partners yet to partner with us going forward; 3) improve data analysis services to all IUs to help locate their affiliates that are having compliance issues; 4) provide training and compliance assistance via video conferencing (such as Teams) when appropriate for the IUs and their affiliates nationally, on a regular, ongoing basis; 5) coordinate nationwide delivery of additional compliance assistance webinars to support union officials in the challenging task of conducting union officer elections; 6) develop new compliance assistance materials – in both English and Spanish – to help union officers and union members better understand their respective responsibilities and rights under the LMRDA; 7) provide these resources and support to the field to promote district and regional compliance assistance initiatives; and 8) create, update, and conduct investigator training to ensure OLMS is able to retain and recruit the highly skilled, professional workforce it needs to carry out its important mission.
- OLMS conducted 222 compliance audits of unions to uncover violations of the LMRDA, and completed 155 criminal investigations. Conducted 2 international compliance audits of international labor unions to uncover violations of the LMRDA.
- Certified employee protections for 1,837 federal transit grants. Of these, OLMS certified 98 percent of grants within a 45-day timeframe, well under the 60 days permitted by OLMS guidelines (29 CFR § 215). Pursuant to 29 CFR § 215.7, OLMS notified unions and the public of 390 rural grants, to which the FTA applied the Special Warranty Arrangement.
- In 2023, OLMS conducted 116 compliance assistance seminars. In total, OLMS provided formal compliance assistance events to 4,409 participants and recorded 12,984

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contact hours (i.e., the number of participants multiplied by the number of hours of instruction).

- OLMS obtained 1,291 Form LM-10 employer reports and Form LM-20 consultant reports disclosing employer-consultant agreements or arrangements to persuade employees to exercise or not to exercise their rights to organize and engage in collective bargaining.
- Grew the new OLMS Labor-Management Partnership Program (LMPP) and spearheaded agency-wide and nation-wide initiatives to nurture and advance cooperative labor-management programs. These efforts promoted the multifaceted advantages of collective bargaining relationships, shedding light on the economic benefits that accrue when workers have a meaningful voice in the workplace, and fostering equity across various dimensions, including racial, ethnic, ability, and economic.
- Assisted the Department in connection with the White House Task Force on Worker Organizing and Empowerment and providing substantive material and support to the Worker Organizing Research and Knowledge (WORK) Center website, a “one-stop shop” providing information to worker and employers regarding labor-management partnerships and the process of organizing a union.

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WORKLOAD AND PERFORMANCE SUMMARY					
		FY 2023 Enacted		FY 2024 Estimate	FY 2025 Request
		Target	Result	Target	Target
Office of Labor-Management Standards					
Strategic Goal 2 - Ensure Safe Jobs, Essential Protections, and Fair Workplaces					
Strategic Objective 2.2 - Protect workers' rights.					
OLMS- RPD-03	Number of LM-10 and LM-20 reports filed on employer-consultant persuader agreements	900[p]	999	950[p]	950[p]
OLMS- RPD-06	Number of Chronically Delinquent Filers for Labor Organization Financial Reports	790	652	839	839
OLMS- RPD- Workload- 01	Reports Processed	25,000	24,556	25,000	25,000
OLMS-FI- 02	Compliance Audits	296	222	284	284
OLMS-FI- 01	Criminal Investigations	166	155	177	177
OLMS-FI- 04	Civil violations resolved through the Compliance Audit Program (CAP) by obtaining voluntary compliance	--	--	73%	--
OLMS- MISC-05- WL	Number of Voluntary Compliance Partnership Agreements in effect	47	50	52	53

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WORKLOAD AND PERFORMANCE SUMMARY					
		FY 2023 Enacted		FY 2024 Estimate	FY 2025 Request
		Target	Result	Target	Target
OLMS- MISC-03	Participant Hours of Compliance Assistance provided	12,000.00	12,984.00	12,000.00	12,000.00
OLMS- MISC-09	Compliance Assistance Events	74	116	77	77
OLMS- DEM-02	Election Investigations	87[p]	126	87[p]	87[p]
OLMS- DEM-03	Supervised Elections	22.00[p]	13.00	22.00[p]	22.00[p]
OLMS- DEM-01	Average number of days to resolve union officer election complaints	65.0	73.7	65.0	65.0
OLMS-FI- 03	Percent of Compliance Audits that result in criminal investigations.	17.50%	18.30%	--	--
OLMS- RPD-05	Percent of disclosure reports filed electronically	91.0%	99.6%	92.0%	92.0%

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

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Workload and Performance Narrative

OLMS' two major enforcement activities are the investigation of: 1) union officer elections and 2) embezzlement of union funds. Supporting these two enforcement activities are the reporting and public disclosure requirements of the LMRDA. To increase overall compliance with the LMRDA and other regulations, OLMS provides compliance assistance information both in-person and online. Through compliance assistance materials and seminars, workers are empowered through learning the rights afforded to them under the LMRDA and making informed decisions within their labor organizations through transparent reporting by unions, officials, and employers.

As one of its priority programs, OLMS promotes union financial integrity by enforcing the LMRDA requirement that union assets are used for the sole benefit of members. OLMS protects these assets by conducting targeted union compliance audits at all levels of the labor union hierarchy. The results of these compliance audits are made publicly available to union members through the OLMS website, promoting transparency within the labor movement. OLMS uses data analytics to determine which unions are at higher risk for experiencing fraud or embezzlement based upon characteristics of the union gathered from both external and internal sources. The methodology allows OLMS to better direct resources such as investigator time to higher risk unions and reduces the time spent on audits that do not yield criminal cases.

The FY 2025 budget maintains OLMS' ability to safeguard union members' rights under the LMRDA. The resources would allow OLMS to increase the number of compliance audits and number of criminal investigations that will be undertaken as compared to the FY 2023 targets. Fulfilling these goals promotes union strength, ensuring that unions remain strong and effective advocates for workers. In addition, the reach of the compliance assistance program would achieve 12,000 participant compliance assistance hours. As part of our improved compliance assistance initiative, OLMS intends to review and update existing publications to promote inclusivity. OLMS will leverage conference technologies to reach our stakeholders in even remote locations and meet its targets. This will enable OLMS to safeguard union assets more broadly and likely find more cases of fraud and embezzlement where they exist.

There are approximately 21,000 international/national, intermediate and local unions subject to the LMRDA. In FY 2025, the FTE funded by the request would enable OLMS to continue to have an adequate physical presence in geographical areas that have been underserved, thus providing compliance assistance to those union members and officials while also creating a greater deterrent effect. For example, the New York, Los Angeles, and Washington, DC offices undertake a substantial number of cases each year, many of them high profile. By adequately staffing these offices, OLMS would be able to use resources not only more effectively, but in a more high-profile manner, which can act as a deterrent. The OLMS Southern Region will focus resources on marginalized workers in the Southeast. The end result will be greater transparency through more accurate and timely reporting of union finances, employer activities and expenditures, labor relations consultants' activities and arrangements, and an increase in the public's and the regulated communities' understanding of the requirements of the LMRDA.

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OLMS will promote free and fair democratic union elections. The agency will achieve reductions in the number of elapsed days required to resolve election case complaints by increasing the use of investigative teams. Finally, OLMS will coordinate with the Office of the Solicitor early in the life of election cases to help reduce the number of elapsed days.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2023 Enacted	FY 2024 Estimate	FY 2025 Request	Diff. FY25 Request / FY24 Estimate
11.1	Full-time permanent	24,424	24,424	25,712	1,288
11.3	Other than full-time permanent	201	201	201	0
11.5	Other personnel compensation	656	656	656	0
11.9	Total personnel compensation	25,281	25,281	26,569	1,288
12.1	Civilian personnel benefits	10,614	10,614	11,472	858
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	1,242	1,242	1,242	0
22.0	Transportation of things	0	0	0	0
23.0	Rent, Communications, and Utilities	0	0	0	0
23.1	Rental payments to GSA	2,792	2,792	2,792	0
23.2	Rental payments to others	36	36	36	0
23.3	Communications, utilities, and miscellaneous charges	59	59	59	0
24.0	Printing and reproduction	37	37	37	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	527	527	527	0
25.3	Other goods and services from Federal sources 1/	7,699	7,699	7,883	184
25.4	Operation and maintenance of facilities	2	2	2	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	18	18	18	0
26.0	Supplies and materials	110	110	110	0
31.0	Equipment	98	98	98	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	48,515	48,515	50,845	2,330
	1/Other goods and services from Federal sources				
	Working Capital Fund	5,874	5,874	6,058	184
	DHS Services	1,502	1,502	1,502	0
	Services by DOL Agencies	1	1	1	0
	GSA Services	292	292	292	0
	Services by Other Government Departments	16	16	16	0

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CHANGES IN FY 2025

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$1,288
Personnel benefits	815
Employee health benefits	0
Moving allowance	0
Federal Employees' Compensation Act (FECA)	43
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	184
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$2,330**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$50,845	208
Program Increase	\$0	0
Program Decrease	\$0	0